

15766-D
#13

WHITE & CASE

1155 AVENUE OF THE AMERICAS
NEW YORK, NEW YORK 10036

20-5, ICHIBANCHO, CHIYODA-KU, TOKYO
15 QUEEN'S ROAD CENTRAL, HONG KONG
50 RAFFLES PLACE, SINGAPORE
BIRGER JARLSGATAN 14, STOCKHOLM
CUMHURİYET CADDESİ 12/10, ISTANBUL
ZIYA ÜR RAHMÂN CADDESİ 17/5, ANKARA

1747 PENNSYLVANIA AVENUE, N.W.
WASHINGTON, D.C.
333 SOUTH HOPE STREET, LOS ANGELES
200 SOUTH BISCAYNE BOULEVARD, MIAMI
20 PLACE VENDÔME, PARIS
66 GRESHAM STREET, LONDON

(212) 819-8200
TELEX: 126201

No. **8-335A013**
Date **NOV 30-1988**
Fee \$ **13.00**
ICC Washington, D.C.

GJC:CEJ

November 30, 1988

re Documents for Recordation, 49 USC Section 11303

Heather J. Gradison, Chairman
Interstate Commerce Commission
12th Street & Constitution Avenue N.W.
Washington, D.C. 20423

RECORDATION 15766
NOV 30 1988-12 35 PM
INTERSTATE COMMERCE COMMISSION
NOV 30 12 30 PM '88
100 OFFICE OF THE SECRETARY

Dear Ms. Gradison:

Enclosed herewith are an original and 2 counterparts of the document described below, to be recorded today pursuant to Section 11303 of Title 49 of the U.S. Code.

This document, identified as "Lease and Security Agreement Supplement No. 3", dated November 30, 1988 is a secondary document. The primary documents to which this is connected are the Equipment Lease Agreement and the Loan and Security Agreement recorded under Recordation Nos. 15766 and 15766-A respectively on August 3, 1988.

The names and addresses of the parties to the document are as follows:

LESSOR/OWNER:
TRUSTEE

Wilmington Trust Company
Rodney Square North
Wilmington, DE 19890

LESSEE:

CSX Transportation, Inc.
100 N. Charles Street
Baltimore, MD 21201

C. T. Karples
Comptroller

LENDERS: The Prudential Life Insurance
 Company of America
 Prudential Property and
 Casualty
 Insurance Company
 Pruco Life Insurance Company
 c/o Prudential Capital
 Corporation
 Three Gateway Center
 Newark, NJ 07102

A description of the equipment covered by the document is attached hereto as Schedule A.

A short summary of the document to appear in the Index should be as follows:

Lease and Security Agreement Supplement No. 3 to the Equipment Lease Agreement and Loan and Security Agreement with Recordation Nos. 15766 and 15766A dated November 30, 1988 among Wilmington Trust Company, not in its individual capacity but as Lessor/Owner Trustee, CSX Transportation, Inc., Lessee and The Prudential Life Insurance Company of America, Prudential Property and Casualty Insurance Company and Pruco Life Insurance Company, Lenders, covering 253 open top hopper railcars (100 ton) from series identified by the Lessee as CSXT 811985-812861, CSXT 806052-806968 and CSXT 807016-808912.

A check for the required recordation fee of \$13.00 is enclosed. Please return the originals and any extra copies not needed by the Commission for recordation to the undersigned.

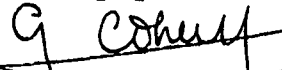
The undersigned certifies that he is acting as counsel to The Prudential Insurance Company of America, Prudential Property and Casualty Insurance Company and Pruco

Heather J. Gradison, Chairman

-3-

Life Insurance Company, Lenders, for purposes of this filing and that he has knowledge of the matter set forth in the above-described documents.

Very truly yours,


Gad J. Cohen

Enclosures

cc: Sylvia Fung Chin, Esq.
Clifford J. Hendel, Esq.

I.

U.S. LEASING CARS = 41

INIT NUMBER	INIT NUMBER	INIT NUMBER	INIT NUMBER
CSXT 811985			
CSXT 812000			
CSXT 812075			
CSXT 812083			
CSXT 812089			
CSXT 812127			
CSXT 812132			
CSXT 812172			
CSXT 812178			
CSXT 812268			
CSXT 812291			
CSXT 812330			
CSXT 812340			
CSXT 812434			
CSXT 812444			
CSXT 812449			
CSXT 812487			
CSXT 812502			
CSXT 812511			
CSXT 812521			
CSXT 812554			
CSXT 812563			
CSXT 812565			
CSXT 812566			
CSXT 812605			
CSXT 812616			
CSXT 812638			
CSXT 812659			
CSXT 812665			
CSXT 812666			
CSXT 812677			
CSXT 812678			
CSXT 812714			
CSXT 812722			
CSXT 812744			
CSXT 812747			
CSXT 812759			
CSXT 812791			
CSXT 812794			
CSXT 812849			
CSXT 812861			

II.

D.I.S. CARS = 82

INIT NUMBER	INIT NUMBER	INIT NUMBER	INIT NUMBER
CSXT 806052	CSXT 806643		
CSXT 806075	CSXT 806653		
CSXT 806079	CSXT 806658		
CSXT 806083	CSXT 806674		
CSXT 806116	CSXT 806693		
CSXT 806119	CSXT 806695		
CSXT 806131	CSXT 806702		
CSXT 806141	CSXT 806703		
CSXT 806147	CSXT 806721		
CSXT 806186	CSXT 806723		
CSXT 806212	CSXT 806734		
CSXT 806228	CSXT 806738		
CSXT 806251	CSXT 806744		
CSXT 806263	CSXT 806749		
CSXT 806266	CSXT 806750		
CSXT 806275	CSXT 806751		
CSXT 806279	CSXT 806756		
CSXT 806285	CSXT 806816		
CSXT 806292	CSXT 806847		
CSXT 806296	CSXT 806851		
CSXT 806315	CSXT 806857		
CSXT 806318	CSXT 806866		
CSXT 806320	CSXT 806886		
CSXT 806322	CSXT 806905		
CSXT 806326	CSXT 806921		
CSXT 806344	CSXT 806928		
CSXT 806356	CSXT 806935		
CSXT 806360	CSXT 806941		
CSXT 806361	CSXT 806950		
CSXT 806364	CSXT 806968		
CSXT 806365			
CSXT 806371			
CSXT 806374			
CSXT 806381			
CSXT 806429			
CSXT 806447			
CSXT 806455			
CSXT 806484			
CSXT 806486			
CSXT 806507			
CSXT 806517			
CSXT 806518			
CSXT 806528			
CSXT 806562			
CSXT 806571			
CSXT 806583			
CSXT 806587			
CSXT 806598			
CSXT 806608			
CSXT 806615			
CSXT 806639			
CSXT 806640			

III.

TECO CARS = 130

INIT NUMBER	INIT NUMBER	INIT NUMBER	INIT NUMBER
CSXT 807016	CSXT 808075	CSXT 808618	
CSXT 807109	CSXT 808077	CSXT 808633	
CSXT 807196	CSXT 808085	CSXT 808635	
CSXT 807443	CSXT 808087	CSXT 808662	
CSXT 807460	CSXT 808091	CSXT 808666	
CSXT 807476	CSXT 808097	CSXT 808668	
CSXT 807485	CSXT 808098	CSXT 808671	
CSXT 807500	CSXT 808118	CSXT 808718	
CSXT 807501	CSXT 808126	CSXT 808721	
CSXT 807509	CSXT 808143	CSXT 808732	
CSXT 807528	CSXT 808144	CSXT 808743	
CSXT 807529	CSXT 808149	CSXT 808761	
CSXT 807534	CSXT 808152	CSXT 808771	
CSXT 807541	CSXT 808181	CSXT 808791	
CSXT 807552	CSXT 808186	CSXT 808792	
CSXT 807557	CSXT 808187	CSXT 808794	
CSXT 807582	CSXT 808194	CSXT 808811	
CSXT 807593	CSXT 808212	CSXT 808824	
CSXT 807599	CSXT 808219	CSXT 808827	
CSXT 807621	CSXT 808239	CSXT 808830	
CSXT 807622	CSXT 808245	CSXT 808851	
CSXT 807636	CSXT 808253	CSXT 808867	
CSXT 807639	CSXT 808263	CSXT 808875	
CSXT 807650	CSXT 808267	CSXT 808894	
CSXT 807661	CSXT 808276	CSXT 808909	
CSXT 807682	CSXT 808283	CSXT 808912	
CSXT 807687	CSXT 808284		
CSXT 807692	CSXT 808294		
CSXT 807695	CSXT 808299		
CSXT 807724	CSXT 808315		
CSXT 807740	CSXT 808318		
CSXT 807742	CSXT 808321		
CSXT 807790	CSXT 808326		
CSXT 807816	CSXT 808333		
CSXT 807838	CSXT 808341		
CSXT 807852	CSXT 808344		
CSXT 807870	CSXT 808354		
CSXT 807872	CSXT 808364		
CSXT 807875	CSXT 808367		
CSXT 807888	CSXT 808393		
CSXT 807894	CSXT 808428		
CSXT 807901	CSXT 808432		
CSXT 807903	CSXT 808443		
CSXT 807939	CSXT 808458		
CSXT 807940	CSXT 808474		
CSXT 807989	CSXT 808476		
CSXT 807991	CSXT 808478		
CSXT 807994	CSXT 808484		
CSXT 808009	CSXT 808502		
CSXT 808026	CSXT 808542		
CSXT 808029	CSXT 808563		
CSXT 808070	CSXT 808564		

15766-12
RECORDATION NO. FILE 1988

NOV 30 1988 12 22 PM

INTERSTATE COMMERCE COMMISSION

LEASE AND SECURITY AGREEMENT SUPPLEMENT NO. 3

Dated November 30, 1988

Among

WILMINGTON TRUST COMPANY,
not in its individual capacity but solely as trustee
Lessor/Owner Trustee,

CSX TRANSPORTATION, INC.,
Lessee

and

THE PRUDENTIAL INSURANCE
COMPANY OF AMERICA,
PRUDENTIAL PROPERTY AND CASUALTY
INSURANCE COMPANY

and

PRUCO LIFE INSURANCE COMPANY,
Lenders

OPEN TOP HOPPER RAILCARS

Note: This Lease and Security Agreement Supplement and certain rights of Lessor hereunder and in the Units covered hereby have been assigned to, and are subject to a security interest in favor of Lenders. To the extent, if any, that this Lease and Security Agreement Supplement shall constitute chattel paper (as such term is defined in the Uniform Commercial Code as in effect in any applicable jurisdiction), no security interest in this Lease and Security Agreement Supplement may be created except through the transfer or possession of the original counterpart which the parties shall mark "Counterpart Number 1". This is Counterpart Number 4.

FILED WITH THE INTERSTATE COMMERCE COMMISSION
PURSUANT TO 49 U.S.C. § 11303 ON _____, 1988
AT ____:____ RECORDATION NUMBER ____.

THIS LEASE AND SECURITY AGREEMENT SUPPLEMENT NO. 3, dated November 30, 1988, among WILMINGTON TRUST COMPANY, a Delaware banking corporation, not in its individual capacity but solely as Owner Trustee ("Lessor" or "Owner Trustee") under that certain Trust Agreement dated as of August 1, 1988 (the "Trust Agreement") with TECO INVESTMENTS, INC., CSX TRANSPORTATION, INC., a Virginia corporation ("Lessee") and THE PRUDENTIAL INSURANCE COMPANY OF AMERICA, a New Jersey mutual insurance company, PRUDENTIAL PROPERTY AND CASUALTY INSURANCE COMPANY, a New Jersey corporation and PRUCO LIFE INSURANCE COMPANY, an Arizona corporation (each, a "Lender," and collectively, "Lenders").

W I T N E S S E T H:

WHEREAS, Lessor, Lessee and Lenders have, with the other parties thereto, heretofore entered into a Participation Agreement (the "Participation Agreement"), Lessor and Lessee have heretofore entered into an Equipment Lease Agreement (the "Lease"), and Lenders and Owner Trustee have heretofore entered into a Loan and Security Agreement (the "Security Agreement"), each dated as of August 1, 1988 (capitalized terms used herein without definitions having the respective meanings set forth in Appendix I to each of the Lease and the Security Agreement);

WHEREAS, the Participation Agreement and the Lease provide that on each Purchase Date Seller shall deliver to Owner Trustee a Bill of Sale dated such date by which Seller bargains, conveys, assigns, sets over, sells and delivers to Owner Trustee, and Owner Trustee purchases and accepts from the Seller, the Units to be conveyed on such Purchase Date, and said Bill of Sale has been delivered by Seller and accepted by Owner Trustee on such Purchase Date;

WHEREAS, the Participation Agreement, the Lease, and the Security Agreement provide for the execution of a Lease and Security Agreement Supplement substantially in the form hereof for the purposes of leasing the Units under the Lease as and when delivered by Lessor to Lessee in accordance with the terms thereof and subjecting such Units to the lien of the Security Agreement;

NOW, THEREFORE, in consideration of the premises and for good and sufficient consideration, Lessor, Lessee and Lenders hereby agree as follows:

1. Lessor hereby delivers and leases to Lessee, and Lessee hereby accepts and leases from Lessor, under the Lease as hereby supplemented, the Units listed on Schedule 1 hereto.

2. Lessee hereby confirms to Lessor that Lessee has accepted such Units for all purposes hereof and of the Lease.

3. The aggregate Lessor's Cost of the Units leased hereunder is \$5,348,577.00 and the amounts comprising such Lessor's Cost and the Lessor's Cost of each Unit leased hereunder are set forth on Schedule 1 hereto.

4. Lessee hereby confirms its agreement, in accordance with the Lease as supplemented by this Lease and Security Agreement Supplement, on the last day of the Interim Term to pay Interim Rent to Lessor for the Units, in the amount of \$37,951.12 and on each Rent Payment Date to pay Base Rent to Lessor for each Unit as provided for in the Lease.

5. In order to secure the prompt payment of the principal of and Yield Maintenance Premium, if any, and interest on the Notes issued on the date hereof and on the other Notes, Lessor has granted, conveyed, pledged, sold, mortgaged, assigned, transferred and set over a security interest unto Lenders in (i) the Units listed on Schedule 1 hereto and (ii) this Lease and Security Agreement Supplement, in each case excluding Excepted Payments and Rights, to have and to hold unto Lenders and their successors and assigns for their and their own use and benefit forever.

6. All of the provisions of the Lease and the Security Agreement are hereby incorporated by reference in this Lease and Security Agreement Supplement to the same extent as if fully set forth herein.

7. This Lease and Security Agreement Supplement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be

an original, but all such counterparts shall together constitute but one and the same instrument.

8. This Lease and Security Agreement Supplement is being delivered in the State of New York and shall in all respects be governed by, and construed in accordance with, the laws of the State of New York, including all matters of construction, validity and performance.

IN WITNESS WHEREOF, Lessor, Lessee and Lenders have caused this Lease and Security Agreement Supplement to be duly executed on the date and year set forth in the opening paragraph hereof.

Lessor/Owner Trustee

WILMINGTON TRUST COMPANY
not in its individual capacity
but solely as Owner Trustee

By: 

Title: James P. Lawler
Financial Services Officer

Lessee

CSX TRANSPORTATION, INC.

By: 

Title: AVP & TREASURER - EQUIPMENT UNIT

Lenders

THE PRUDENTIAL INSURANCE
COMPANY OF AMERICA
by PruCapital Management, Inc.,
its Agent

By: _____

Title: _____

PRUDENTIAL PROPERTY AND CASUALTY
INSURANCE COMPANY

By: _____

Title: _____

PRUCO LIFE INSURANCE COMPANY

By: _____

Title: _____

IN WITNESS WHEREOF, Lessor, Lessee and Lenders have caused this Lease and Security Agreement Supplement to be duly executed on the date and year set forth in the opening paragraph hereof.

Lessor/Owner Trustee

WILMINGTON TRUST COMPANY
not in its individual capacity
but solely as Owner Trustee

By: 

Title: James P. Lawler
Financial Services Officer

Lessee

CSX TRANSPORTATION, INC.

By: _____

Title: _____

Lenders

THE PRUDENTIAL INSURANCE
COMPANY OF AMERICA
by PruCapital Management, Inc.,
its Agent

By: 

Title: _____

PRUDENTIAL PROPERTY AND CASUALTY
INSURANCE COMPANY

By: 

Title: _____

PRUCO LIFE INSURANCE COMPANY

By: 

Title: _____

STATE OF New York)
COUNTY OF New York) ss.:

On this 29th day of November, 1988, before me personally appeared James P. Lawler, to me personally known, who, being by me duly sworn, says that he is Financial Services Officer of WILMINGTON TRUST COMPANY, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Patty Mendik
Notary Public

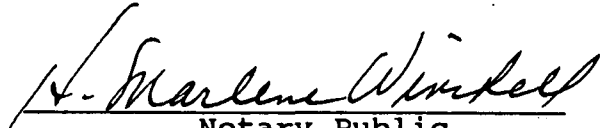
My Commission Expires:

[Notary Seal]

PATTI MENDIK
Notary Public, State of New York
No. 20-498557
Qualified in Nassau County
Commission Expires June 15, 1989

STATE OF Maryland)
CITY : SS.:
~~COUNTY~~ OF Baltimore)

On this 23rd day of November, 1988,
before me personally appeared Denis J. Voisard, to me
personally know, who, being by me duly sworn, says that he
AVP & TREASURER - EQUIPMENT UNIT of CSX TRANSPORTATION, INC., that said
instrument was signed and sealed on behalf of said corpora-
tion by authority of its Board of Directors and he acknow-
ledged that the execution of the foregoing instrument was
the free act and deed of said corporation.


Notary Public

My Commission Expires; July 1, 1990

[Notary Seal]

STATE OF NEW JERSEY)) ss.:
COUNTY OF ESSEX)

On this 22nd day of November, 1988, before me personally appeared Matthew J. Chanin, to me personally known, who, being by me duly sworn, says that he is Asst. Financial V.P. of PRUDENTIAL PROPERTY AND CASUALTY INSURANCE COMPANY, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

W. C. Smith
Notary Public

My Commission Expires:
[Notary Seal]

DIANE C. SMITH
A NOTARY PUBLIC OF NEW JERSEY
My Commission Expires March 22, 1993

STATE OF NEW JERSEY)) ss.:
COUNTY OF ESSEX)

On this 22nd day of November, 1988, before me personally appeared Matthew J. Chanin, to me personally known, who, being by me duly sworn, says that he is Asst. Vice President of PRUCO LIFE INSURANCE COMPANY, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Quane C. Smith
Notary Public

My Commission Expires:
[Notary Seal]

DIANE C. SMITH
A NOTARY PUBLIC OF NEW JERSEY
My Commission Expires March 22, 1993

I.

U.S. LEASING CARS = 41

INIT NUMBER	INIT NUMBER	INIT NUMBER	INIT NUMBER
CSXT 811985			
- CSXT 812000			
CSXT 812075			
CSXT 812083			
CSXT 812089			
CSXT 812127			
CSXT 812132			
CSXT 812172			
CSXT 812178			
CSXT 812268			
CSXT 812291			
CSXT 812330			
CSXT 812340			
CSXT 812434			
CSXT 812444			
CSXT 812449			
CSXT 812487			
CSXT 812502			
CSXT 812511			
CSXT 812521			
CSXT 812554			
CSXT 812563			
CSXT 812565			
CSXT 812566			
CSXT 812605			
CSXT 812616			
CSXT 812638			
CSXT 812659			
CSXT 812665			
CSXT 812666			
CSXT 812677			
CSXT 812678			
CSXT 812714			
CSXT 812722			
CSXT 812744			
CSXT 812747			
CSXT 812759			
CSXT 812791			
CSXT 812794			
CSXT 812849			
CSXT 812861			

II.

D.I.S. CARS = 82

INIT NUMBER	INIT NUMBER	INIT NUMBER	INIT NUMBER
CSXT 806052	CSXT 806643		
CSXT 806075	CSXT 806653		
CSXT 806079	CSXT 806658		
CSXT 806083	CSXT 806674		
CSXT 806116	CSXT 806693		
CSXT 806119	CSXT 806695		
CSXT 806131	CSXT 806702		
CSXT 806141	CSXT 806703		
CSXT 806147	CSXT 806721		
CSXT 806186	CSXT 806723		
CSXT 806212	CSXT 806734		
CSXT 806228	CSXT 806738		
CSXT 806251	CSXT 806744		
CSXT 806263	CSXT 806749		
CSXT 806266	CSXT 806750		
CSXT 806275	CSXT 806751		
CSXT 806279	CSXT 806756		
CSXT 806285	CSXT 806816		
CSXT 806292	CSXT 806847		
CSXT 806296	CSXT 806851		
CSXT 806315	CSXT 806857		
CSXT 806318	CSXT 806866		
CSXT 806320	CSXT 806886		
CSXT 806322	CSXT 806905		
CSXT 806326	CSXT 806921		
CSXT 806344	CSXT 806928		
CSXT 806356	CSXT 806935		
CSXT 806360	CSXT 806941		
CSXT 806361	CSXT 806950		
CSXT 806364	CSXT 806968		
CSXT 806365			
CSXT 806371			
CSXT 806374			
CSXT 806381			
CSXT 806429			
CSXT 806447			
CSXT 806455			
CSXT 806484			
CSXT 806486			
CSXT 806507			
CSXT 806517			
CSXT 806518			
CSXT 806528			
CSXT 806562			
CSXT 806571			
CSXT 806583			
CSXT 806587			
CSXT 806598			
CSXT 806608			
CSXT 806615			
CSXT 806639			
CSXT 806640			

III.

TECO CARS = 130

INIT NUMBER	INIT NUMBER	INIT NUMBER	INIT NUMBER
CSXT 807016	CSXT 808075	CSXT 808616	
CSXT 807109	CSXT 808077	CSXT 808633	
CSXT 807196	CSXT 808085	CSXT 808635	
CSXT 807443	CSXT 808087	CSXT 808662	
CSXT 807460	CSXT 808091	CSXT 808666	
CSXT 807476	CSXT 808097	CSXT 808668	
CSXT 807485	CSXT 808098	CSXT 808671	
CSXT 807500	CSXT 808118	CSXT 808718	
CSXT 807501	CSXT 808126	CSXT 808721	
CSXT 807509	CSXT 808143	CSXT 808732	
CSXT 807528	CSXT 808144	CSXT 808743	
CSXT 807529	CSXT 808149	CSXT 808761	
CSXT 807534	CSXT 808152	CSXT 808771	
CSXT 807541	CSXT 808181	CSXT 808791	
CSXT 807552	CSXT 808186	CSXT 808792	
CSXT 807557	CSXT 808187	CSXT 808794	
CSXT 807582	CSXT 808194	CSXT 808811	
CSXT 807593	CSXT 808212	CSXT 808824	
CSXT 807599	CSXT 808219	CSXT 808827	
CSXT 807621	CSXT 808239	CSXT 808830	
CSXT 807622	CSXT 808245	CSXT 808851	
CSXT 807636	CSXT 808253	CSXT 808867	
CSXT 807639	CSXT 808263	CSXT 808875	
CSXT 807650	CSXT 808267	CSXT 808894	
CSXT 807661	CSXT 808276	CSXT 808909	
CSXT 807682	CSXT 808283	CSXT 808912	
CSXT 807687	CSXT 808284		
CSXT 807692	CSXT 808294		
CSXT 807695	CSXT 808299		
CSXT 807724	CSXT 808315		
CSXT 807740	CSXT 808318		
CSXT 807742	CSXT 808321		
CSXT 807790	CSXT 808326		
CSXT 807816	CSXT 808333		
CSXT 807838	CSXT 808341		
CSXT 807852	CSXT 808344		
CSXT 807870	CSXT 808354		
CSXT 807872	CSXT 808364		
CSXT 807875	CSXT 808367		
CSXT 807888	CSXT 808393		
CSXT 807894	CSXT 808428		
CSXT 807901	CSXT 808432		
CSXT 807903	CSXT 808443		
CSXT 807939	CSXT 808458		
CSXT 807940	CSXT 808474		
CSXT 807989	CSXT 808476		
CSXT 807991	CSXT 808478		
CSXT 807994	CSXT 808484		
CSXT 808009	CSXT 808502		
CSXT 808026	CSXT 808542		
CSXT 808029	CSXT 808563		
CSXT 808070	CSXT 808564		